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CHECKS AND BALANCES WHO'S HOLDING THE GOVERNMENT TO ACCOUNT?

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The government is in the process of crucial decisions that will affect the UK's political, economic and cultural position in the world. Brexit is forcing hugely important decisions to be taken on the UK's economy, taxation, spending, immigration and our relationship with the world. Brexit aside, a new and unelected Prime Minister is significantly changing the government's approach. If ever there was a time for effective scrutiny and opposition, it is now.

Times are changing, practically speaking if not constitutionally. The environment within which government operates has become much more pluralistic. Gone is the two party system and in its place is a more disparate, fluid and changeable array of actors, using more touch points to scrutinise and evaluate policy making than ever before. Whether any of these actors can lay claim to now being a more effective opposition than traditional political parties is the subject of this report.

We examine a number of groups, from the media, to the public, to business groups, unions and intra-party factions to gauge how far this democratisation of scrutiny has gone; who (if anyone) now holds the government to account, and whether we are likely to see a return to more traditional structures of opposition in the future.

I hope you will find this report useful and thought provoking.



Dominic Church | Managing Director

### INTRODUCTION EFFECTIVE OPPOSITION IMPROVES GOVERNMENT

At its best opposition does not simply oppose, but applies pressure in a way that forces a government to critically examine, improve and occasionally abandon its policies. When a government policy is misaligned with the public mood, the forces of opposition can help nudge it back in the right direction. When ministers and officials get a technical detail wrong, opposition can use the day-to-day grind of legislative scrutiny to try and put it right.

The official opposition should also act as a government-in-waiting; a reminder to the electorate that an alternative exists, should the government prove not up to the task.

Opposition keeps government sharp, reducing unforced errors. Bluntly it stops a government doing too many stupid or unpopular things.

### OFFICIAL BUT FAILING: CORBYN'S OPPOSITION

At present it is the official Opposition that is manifestly not up to the job. Jeremy Corbyn has a powerful mandate from party members but faces a parliamentary party with no confidence in him, to the extent he can barely fill his own front bench. In such circumstances it is hard to see how Labour can claim to provide effective, detailed scrutiny of legislation and policy. Since his (first) election as party leader, Corbyn's Labour has rarely driven the agenda, despite facing a government with a tiny majority. His supporters like to cite U-turns on tax credits and disability benefit cuts as examples of success. In reality Tory rebels were the key influence on the former, and Iain Duncan Smith did for the latter.

Dysfunctional and disrespected by government, the electorate, and the media; the official opposition is rarely able to coerce, embarrass, or cajole government into change.

Other parties like to state that, actually, they are the real opposition. These claims appear to be poorly borne out at present. The Liberal Democrats in the Commons are a hugely diminished force, so small a party that their leader cannot be guaranteed to ask a question at PMQs. The SNP act as an effective bloc, but will always struggle to cut through when their mandate stops at the Scottish border. UKIP, for all it has influenced Britain's future, has just a single MP, no leader, and is in public disarray.

Given the current state of British politics, now seems to be one of the least opportune times in which to lack an effective opposition, as crucial, tricky decisions about our political, economic and cultural future loom on the horizon.

### A COALITION OPPOSITION

Businesses who engage with policy-making are having to change their behaviour in response to this situation. In the past we may previously have worked with the Labour front bench in the Commons to raise issues, exert pressure, and force change. All too often now, to do so would be counterproductive, and different avenues are now required. Backbench Conservative MPs. The House of Lords. Broadsheets and broadcast, digital and social media. Pressure groups and business coalitions. It is nothing new that such voices provide opposition, but their relative strength has now increased.

After five years of coalition government we find ourselves with a coalition opposition. In the absence of a functioning Labour team in the Commons, the opposition is now a shifting, loose collection of Tory backbenchers, Labour & Liberal Democrat Lords, the SNP, civil society groups and NGOs, business groups, trade unions, the public, and the media.

This report explores the role that these groups will play, their importance and what we can expect from them in the coming years. It also provides a ranking of their effectiveness as a form of opposition, looking at four factors.



### Making a splash.

Whether a scandal or a carefully pieced together investigation, getting your issue in the media is often the first step to opposing it.



### Hearts and minds.

If you can win in the court of public opinion, the government will take notice. How much can you demonstrate public support?



### Line by line.

Some opposition is about the hard grind of detailed scrutiny: picking up on tiny slips in consultation documents; forcing amendments to poorly drafted legislation.



### Embarrassment factor.

The threat of embarrassment has forced many a government U-turn. How much will the government fear your revelations and critiques?

Who wields the most power? Read on.



## CHAPTER ONE OUR NEW GOVERNMENT AND THE NEED FOR SCRUTINY

Opposition is always important. But there are a number of reasons why at present, it is more important than ever.

Theresa May is riding high in the polls. She is still just about enjoying the honeymoon period in which all new leaders are, by and large, given the benefit of the doubt by the public. To judge by her reception at party conference, it is clear that Tory grassroots are extremely happy at her leadership, after years of uneasiness with Cameron.

But this relatively happy position at present conceals several fragilities, and most notably her relative lack of democratic legitimacy. She has never won an election, either to the party leadership, or as party leader. The point should not be laboured: it is the nature of our parliamentary system we do not elect Prime Ministers directly. She has not received the full and proper scrutiny of the public in the course of a general election campaign. She ascended to 10 Downing Street simply because her rivals' campaigns collapsed in varying degrees of ignominy around her. All believers in good government should hope that she receives proper scrutiny now.

All the more so given that she is advancing, or at least claims to be advancing, a quite different agenda to that of her predecessor.

So far we have had much rhetoric and very little actual policy, but all the signs are that she is overseeing significant shifts from the liberalism of Cameron and Osborne. Out has gone the Northern Powerhouse, hyper-openness to Chinese and other foreign investment, resistance to industrial strategy. In has come a clearer belief in active-government: a willingness to intervene in markets, enthusiasm for industrial policy, and reintroduction of grammar schools. The shift is significant, from metropolitan-elite liberalism to a more provincial, communitarian Toryism.

With Brexit May and her Cabinet face perhaps the most challenging outlook for a British government in decades. Scrutiny is not helped by two facts: firstly that May really does not have a fully developed plan for Brexit, and secondly that what plan she does have, she wants to keep secret in order to not self-sabotage negotiations with the EU-27. Time and time again we hear that the government will not offer a 'running-commentary' on its approach to Brexit. We face the curious situation of a government led by a 'remain' supporter trying to create a constitutional, economic and societal settlement for the future of Britain from scratch; with little real understanding of what is possible when it comes to the crunch of negotiation. If ever there was a need for a strong, insightful, diligent opposition, it is now.



### CHAPTER TWO THE STATE OF THE LABOUR PARTY

2016 has been a bad year for many. The Democratic Party. Brangelina. David Bowie fans. But Labour must rank pretty high up the list. 80% of its MPs voted no confidence in their leader, but still have to serve under him. Its front bench went unfilled for months, with not enough MPs to fill the available positions. It spent the summer engaged in a brutal leadership contest that generated no original thinking on policy, nor even any reflection on the world outside the party and its membership. Its dire polling gets worse and worse, with recent numbers suggesting Labour lags between 9 and 16 per cent behind the Conservatives. Polls suggest May and Hammond have a full 28 point lead over Corbyn and McDonnell when it comes to trust over the economy. Amidst the turmoil, Labour has done precious little in the way of actually scrutinising and opposing the government.

Too often the shadow team is either ineffectual or outright embarrassing. When the government quietly announced it would drop an education bill, Shadow Education Secretary Angela Rayner issued a self-congratulatory statement saying that new grammar schools had "been abandoned as a result of the huge pressure Labour has put the government under." But the bill in question was an entirely different one, and the grammar school plans unchanged. The unforced error reflects the extent to which Labour has lost the ability to get the basics right. The loss of so many experienced old hands from the Labour front bench, and their experienced and savvy aides, has severely diminished Labour's ability to do an effective job day to day. Journalists complain that they receive reactive statements from Labour hours after every other organisation has sent one through. When the government's deal with Nissan was announced, Labour took 24 hours to get a statement out, ensuring their point of view was not covered in the six o'clock, ten o'clock or indeed any other news. Labour rarely generates newsworthy stories itself. Ministers are rarely put under real pressure at the despatch box by incisive questioning. Watching this one longs for the days of Ed Balls skewering Michael Gove over free schools, or Caroline Flint leading the charge on energy bills. Whatever your views on their politics, the big beasts of yesteryear knew how to create a story, to shape the news agenda, to pressure a minister.

There are some signs that the party is pulling itself together and that its ability to provide opposition is increasing. One or two shadow ministers are performing effectively. The appointment of Keir Starmer as Shadow Brexit Secretary was wise, bringing forensic insight to a complicated brief. Within days of his appointment, Starmer had injected some steel into Labour's activity on Brexit, pressuring the government to offer a parliamentary debate on its plan, and issuing a list of 170

| THE OFFICIAL OPPOSITION        |                      | MARKS OUT OF FIVE |  |
|--------------------------------|----------------------|-------------------|--|
| 21                             | MAKING A SPLASH      | 1                 |  |
|                                | HEARTS AND MINDS     | 5                 |  |
| Q                              | LINE BY LINE         | 1                 |  |
|                                | EMBARRASSMENT FACTOR | 2                 |  |
| OVERALL OPPOSITION POWERS 2.25 |                      | 2.25              |  |



### CHAPTER TWO THE STATE OF THE LABOUR PARTY continued

questions on everything from passporting rights for UK based banks to enshrining consumer protections in law. Respected MP, Hilary Benn has also been elected to chair the new Brexit select committee which is likely to become a force to be reckoned with. These are the first signs in some time that Labour may be able to shape the agenda in parliament.

Yet it is hard to avoid the conclusion that Labour's leadership travails and identity crisis have severely damaged its political authority as an opposition. The damage may not be terminal but it is not just flesh wounds either. On Brexit, Starmer was undermined in the House because he was completely unable to offer a Labour vision of what should come from EU negotiations. Labour remains utterly confused on Brexit. It has abandoned support for staying in the single market, but with no idea what it wants as an alternative beyond 'access', something almost every country in the world has in one form or another. At the same time, Corbyn has indicated he wants no curb on free movement of people, to the strong disagreement of half of his MPs (and the public.) The absence of an agreed policy or even general approach to Brexit on the shadow front benches means a huge loss of authority. Labour cannot command the political gravitas it needs to properly oppose government on Brexit while its own position is a mess. The situation will probably get worse again before getting better. Labour looks like it could now be cyclical in nature. After Corbyn's first victory as leader, we saw a period of relative grace, goodwill and solidarity, as we are in again now. That was followed by a slow breakdown in internal party relations, and a final collapse into allout-war when moderate MPs felt the situation was untenable. The fundamental reasons for this breakdown and collapse have not disappeared: Corbyn's electoral toxicity; his indulgence of appalling behaviour amongst his supporters, often directed at Labour MPs themselves; his apologism for enemies of the West; the basic shambles of his day to day political and media operation.

Relations within the party will surely slide again. Once again some act of the leadership, last time it was the sacking of Hillary Benn, will trigger an outright collapse. Once again the moderates will have to face up to the miserable prospect of a party split or another leadership contest, which Corbyn will once again win. All the while the party's authority in parliament and in public will continue to decline.





### CHAPTER THREE THE OTHER POLITICAL PARTIES

Labour isn't working. But what of the other parties? Will they take up the slack of scrutiny in parliament, with new campaigns and coalitions coming together to form effective opposition?

For the smaller parties in Westminster, life can be difficult. The Liberal Democrats won almost 8% of all votes cast in 2015, but have just over 1% of the 650 MPs in the House. UKIP were the third largest party by vote share, yet hold just one seat. These results have left neither party with enough parliamentary clout – in the Commons at least – to be taken seriously as opposition. Westminster's two-party structure, driven by our first past the post electoral system, means the burden of effective opposition continues to fall to the Labour Party, even when it is incapable in practice of performing its role adequately.

### **DEVO-FLIGHT**

Devolution of power away from Westminster is facilitating new opportunities for opposition in the UK. The devolved institutions in Scotland and Wales have nurtured opposition to Westminster, particularly in the case of the SNP, whose powerful position in Holyrood and the party's dominance of Scottish seats at Westminster put them in a relatively strong position. The SNP has already proven its ability to interfere and oppose policies in parliament, even when they have a limited impact on Scotland: for instance helping to defeat Sunday trading proposals that directly affected England and Wales only.

Devolution to cities also creates opportunities for new expressions of opposition. Labour moderates, for example, are seeing mayoral roles as a means of effectively challenging both government and their own party leadership. London Mayor Sadiq Khan, like Boris Johnson before him, wields London's influence to challenge the government whilst also positioning himself as the leader of a rival power base to Corbyn. Former frontbencher Andy Burnham will likely be Manchester's next Mayor and has stated he is not afraid of challenging Labour policy as well as that of the government.

### À LA CARTE APPROACH

Is there potential for a fundamental realignment of British party politics in the years to come? Potentially yes. For some time, Westminster has talked of the fragmenting of the traditional parties and their supporter bases, as support slips away to UKIP, the Greens and elsewhere. We have also seen the establishment of single issue parties such as the Women's Equality Party which received 2 per cent in the first round vote in the last London mayoral election, a combined total of over 70,000 people.

Perhaps more significantly, the aftermath of the EU referendum

|  | THE OTHER POLITICAL PARTIES | MARKS OUT OF FIVE |
|--|-----------------------------|-------------------|
| ~~   | MAKING A SPLASH             | 2                 |
|  | HEARTS AND MINDS            | 2                 |
| Q  | LINE BY LINE                | 3                 |
| $\textcircled{\begin{tabular}{lllllllllllllllllllllllllllllllllll$ | EMBARRASSMENT FACTOR        | 2                 |
|  | OVERALL OPPOSITION POWERS   | 2.25              |

### CHAPTER THREE THE OTHER POLITICAL PARTIES continued

has seen the emergence of various cross-party bodies. In particular it has prompted new groupings on the centre-ground. Frustration with a deteriorating Labour party and a poorly represented Liberal Democrats, and with Brexit voices now dominant within the Tory party, the parties themselves are arguably not doing enough to offer a centrist, anti-Brexit opposition.

The Remain camp has morphed into the campaigning group "Open Britain" which hopes to retain membership of the single market, and "Vote Leave Watch" which hold the Brexiteers in power to account for the pledges made during the referendum. More United, led by former Liberal Democrat Leader Paddy Ashdown, is an attempt to support candidates irrespective of political party as long as they take a pro-European, pro-immigration, centre-left liberal approach. The group intends to use money raised through crowdfunding to support such candidates from any party that support the values of fairness, openness and tolerance.

Parties' failure to adequately represent their memberships' views has led politicians within their ranks to seek election to mayoral positions as a platform from which to challenge more traditional lines of authority. The failure of the electoral system has led to the growth of new parties and single issue groups to represent the wide views of society. However, none yet have the power, membership, or authority to present much more than token opposition.



## CHAPTER FOUR HOUSE OF LORDS

At the most tense moment in relations between Jeremy Corbyn and the Parliamentary Labour Party, the Labour leader released a video claiming credit for government U-turns, including on forced academisation and tax credits. In reality the forced change to government policy on tax credits was achieved not by the Labour team in the Commons, but by Tory backbenchers and Labour, Lib-Dem and Crossbench members of the House of Lords.

The Government's majority in the Commons may be small, but it has none whatsoever in the upper house, so the threat of legislation being rejected is real. Holding just 254 seats out of 810, this is a clear point of vulnerability for the Conservative Party. The 1999 reforms to the upper house saw the Lords become far more pluralistic, with the Liberal Democrats and Crossbench peers enjoying the balance of power. The implications of this were felt by Cameron and they will be felt by May.

The Lords offers both Labour and the Liberal Democrats an opportunity to show their mettle. Partly this is an opportunity to oppose policies they disagree with on principle, but it is also an opportunity to demonstrate to their public that they are willing and able to stand up to the government and promote progressive political agendas. With both parties being fairly ineffectual within the House of Commons, the House of Lords provides a platform for them to show they are still relevant.

There are already a number of emerging policy agendas where it is clear that the government is likely to face opposition from the House of Lords. Where Labour and Liberal Democrats peers can agree a joint position, the government will struggle to push its proposals through and will be forced to make concessions. Grammar schools – where there is a consensus between the two opposition parties on opposition to this form of selective education – is an obvious example.

In normal circumstances there are significant constitutional limitations on the ability of the Lords to obstruct the government from delivering its policies. The Salisbury Convention suggests that the House of Lords does not vote down a second or third reading of any legislation promised in a government's manifesto.

However, with Theresa May making important shifts in the government's approach and policy agenda compared to Cameron, key pieces of legislation that she is seeking to pass will not have featured in the Conservative Party manifesto. The House of Lords would constitutionally be within its rights to

| THE HOUSE OF LORDS   |                      | MARKS OUT OF FIVE |  |
|--|----------------------|-------------------|--|
| 27   | MAKING A SPLASH      | 3                 |  |
|  | HEARTS AND MINDS     | 2                 |  |
| Q  | LINE BY LINE         | 5                 |  |
| $\textcircled{\begin{tabular}{lllllllllllllllllllllllllllllllllll$ | EMBARRASSMENT FACTOR | 3                 |  |
| OVERALL OPPOSITION POWERS  |                      | 3.25              |  |



### CHAPTER FOUR HOUSE OF LORDS continued

defy the government on grammar schools, for instance, and indeed the Labour party has already made clear that it will do so, given the divergence from the 2015 Tory manifesto which mentioned no such policy.

This suggests that the House of Lords is likely to be a significant voice of opposition to the new government in the coming years as it seeks to hold May's government to account. As an unelected house however, its democratic legitimacy to oppose will always create controversy. It is likely therefore that rejection of government legislation will occur sparingly and on issues of the highest profile.

This lack of clarity on the constitutional role of the House of Lords was one that David Cameron was keen to address, frustrated at government policy being thwarted by an unelected chamber. The Strathclyde Review published in late 2015 looked at how the House of Commons could be given greater weight than the House of Lords when it came to scrutinising secondary legislation. Lord Strathclyde recommended that a new process should be put in place allowing the Lords to ask the Commons to look again where there was an area of disagreement but giving the final decision to the lower house. Further efforts to thwart the government's agenda are likely to lead to further attempts to undermine or curtail the Lords' powers.

The Lords will certainly be a voice of opposition seeking to hold the government to account. May's lack of a democratic mandate and the lack of a manifesto basis for much of her new agenda, will make this harder for the government. Attempts to oppose government policy are likely to lead to further discussions as to the role of an unelected second chamber and what role it should play in scrutinising policy.



## CHAPTER FIVE THE CONSERVATIVE BACKBENCHES

Theresa May is riding high. At her party conference in Birmingham she bathed in the adoration of the Tory faithful, ecstatic at her rejection of Cameroonian liberalism. She trounces Corbyn in the polls. For an unelected PM this may be as good as it gets.

However, all is not simple for May's government. She has a working majority of just 18 and several of her MPs have recently resigned. She has never published a manifesto as PM, nor led her party to electoral success. Apart from a few ministers, grateful to be promoted to positions they might not have expected under Cameron, almost no-one owes May. As Brexit negotiations progress, and her policy agenda develops, the next few years could see backbench Conservative MPs become a thorn in the prime minister's side.

Top of the agenda for most Conservative MPs is Brexit and two divergent but equally difficult camps are emerging that will hold May to account over any deal she negotiates: hard and soft Brexiteers.

Spearheading the hard-Brexit camp is lain Duncan Smith. The former Work and Pensions secretary has warned the prime minister against turning the referendum result "into a 'neverendum'" and has encouraged her to trigger Article 50 "within months". Others like John Redwood, Dominic Raab and Christopher Chope have similarly thrown their weight behind a rapid exit from the Union. The group becomes particularly agitated over suggestions that the UK should retain access to the single market. As veteran anti-EU campaigner Sir Bill Cash recently put it, "if you're out, you're out".

The recent High Court ruling that Parliament must vote on Article 50 before it can be formally triggered has implications for Theresa May's timetable. Before the ruling the prime minister said she would begin the process before the end of March 2017. Subject to the forthcoming decision by the Supreme Court this may now need to be reviewed.

Wisely, the prime minister has thus far avoided giving anything in the way of detail about what she wants from the Brexit negotiations. But she has consistently made clear that she supports a 'hard' Brexit, involving departure from the single market, control over immigration and most probably out of the customs union. Every time there has been any indication that the government may waver on any of these points, a hard-Brexit backbencher has popped up to maintain the pressure. The likes of Daniel Hannan, John Redwood and Sir Bill Cash have dedicated many years to pushing for EU exit. On the verge of success, they will not relinquish their effective campaign now.

| CONSERVATIVE BACKBENCHERS |                           | MARKS OUT OF FIVE |
|---------------------------|---------------------------|-------------------|
| 27                        | MAKING A SPLASH           | 4                 |
|                           | HEARTS AND MINDS          | 3                 |
| O,                        | LINE BY LINE              | 4                 |
| $\bigcirc$                | EMBARRASSMENT FACTOR      | 5                 |
|                           | OVERALL OPPOSITION POWERS | 4                 |



### CHAPTER FIVE THE CONSERVATIVE BACKBENCHES continued

Conversely, soft-Brexit MPs want continued access to the single market at the very least. George Osborne has quickly become this camp's leading light and has urged the PM to avoid triggering Article 50 until reassurances that the UK will be able to do so are sought. In practical terms, speaking at the Chicago Council on Global Affairs, he warned Theresa May against triggering Article 50 until at least next autumn.

Osborne could pose a real challenge to May. As Chancellor he cultivated a large personal following amongst Conservative MPs of the kind May has never had (or actively cultivated). His grievance at the rather rude manner in which he was allegedly sacked, and at the way in which May has departed from some of his key policies such as pension annuities, makes him a potentially dangerous force.

Osborne isn't the only former minister that has the potential to make Theresa May's life difficult from the backbenches. Nicky Morgan is arguably now the leader of the 'awkward squad' and has been positively scathing about May's resurrection of grammar schools. Also in the squad is Anna Soubry who has been consistently vocal in her defence of the single market. Claire Perry, the uberloyalist of the Cameron/Osborne years, has now started attacking the government for putting ideology above economic sustainability. These figures may all be somewhat out of vogue with the current leadership, but they are not insubstantial characters. The concerns of these backbenchers will consistently put pressure on the government, and will likely cause May's team more sleepless nights than Jeremy Corbyn will.

Of course Osborne himself knows well how backbenchers can derail

the best laid plans. He was forced to abandon his overhaul of the pension tax relief system after a Tory revolt threatened his leadership ambitions. May will need to beware of similar cases of independently minded MPs.

Until his departure, another backbencher to watch would have been David Cameron. But a question remains over whether the Cameroonian MPs of the 2010 intake will remain faithful to his legacy, or rally round the new Prime Minister's agenda. It is these MPs that will be most sensitive to May's departures from the previous administration's priorities, and their reactions will be a key test for her government.

May recognises this challenge. To overcome it, she has extended an olive branch in the form of the Parliamentary Policy Board. The body, headed up by George Freeman, will allow backbench MPs the opportunity to shape government policy. The hope is this will keep backbench MPs sweet enough to avoid damaging rebellions. It might also woo those backbenchers that felt left out by Cameron's notorious 'Notting Hill set' approach to government.

Between Brexiteers, Remainers, disgruntled ex-Cabinet members and Cameroonian acolytes, the Prime Minister has her work cut out. Of these factions, the hard vs soft-Brexit wrangle will likely see the greatest expressions of opposition from May's backbenchers. The battle over Europe will be a defining feature of her premiership, and any rebellion on the part of Conservative MPs against a deal might be too much to recover from.



## CHAPTER SIX UNIONS AND BUSINESS GROUPS

Theresa May's first months have seen her claim that the Tories are the party of workers' rights while attacking the failings of big business. Against this curious rhetorical backdrop, how can we expect unions and the business community to behave towards the government?

As Home Secretary, Theresa May acted tough with the unions in her patch, telling the Police Federation that it needed a 'top to bottom' reorganisation and vowing to break its power. There are indications that she will be similarly hardline as PM. Her reappointment of Jeremy Hunt as Health Secretary, despite his fraught relationship with the medical unions, certainly suggests she'll take a robust approach.

How does the situation look from the other perspective? The unions secured one major, self-interested victory earlier this year when they forced key concessions to proposals to cut their funding in the Trade Unions Bill. Their fight now moves largely on to ensuring that the terms of Brexit do not herald any further weakening of workers' rights.

The position of the unions is not a strong one however. We can expect further strike action in the months and years to come. This may well force employers to back down issue by issue, but is unlikely to force much change in the government's overall outlook. The junior doctors' strike had particularly strong levels of public support on an issue – the state of the NHS – which is still a sensitive one for the Conservatives. But ultimately, it was largely unsuccessful.

May has claimed that the Conservatives are "the party of workers". But her team does not regard unions and workers as coterminous groups. Rather, they judge that there are plenty of 'workers' who feel current unions largely ignore their concerns and indulge in too many irrelevant leftish concerns. This outlook means that the ability of unions to provide effective opposition to the government is severely diminished. So too does the fact of their closeness to Corbyn's Labour. A more independent stance, while unlikely, could help give their advocacy a greater degree of credibility. That said, the major unions will push hard on workers' rights issues. The government will be keen not to be seen to give in to union demands, but the pressure they exert may nonetheless influence policy.

The business community spent much of 2013-15 fearing a Miliband victory and subsequent interventionism in industry. Having avoided what was then a feared scenario, it now faces a government that promises similar interventions in key sectors

|            | UNIONS                    | MARKS OUT OF FIVE |
|------------|---------------------------|-------------------|
| 27         | MAKING A SPLASH           | 2.5               |
|            | HEARTS AND MINDS          | 2.5               |
| Q          | LINE BY LINE              | 1                 |
| $\bigcirc$ | EMBARRASSMENT FACTOR      | 2                 |
|            | OVERALL OPPOSITION POWERS | 2                 |



## CHAPTER SIX UNIONS AND BUSINESS GROUPS continued

while also overseeing Britain's withdrawal from single market membership. It has also had to suffer the indignity of being accused of laziness by International Trade Secretary Liam Fox MP.

The economy and the concerns of business will provide a key source of opposition: but how will this manifest itself? The business community has a delicate balance to strike. Given the willingness of the new administration to criticise, it must not lose goodwill entirely. We expect therefore that the community overall will want to avoid battling on too many different fronts. It is likely to be most vocal and forceful on a small number of key issues, specifically maintaining as good as possible single market access and avoiding policies and rhetoric that imply a Britain less open to the world. Issues such as workers on boards will rankle but are likely to be acceded to: key business organisations know that they must make strategic concessions to keep a seat at the table when bigger issues are discussed, particularly given May's positioning: pro the 'little man', anti-global elites.

The extent to which Britain's business community can and will provide opposition will become clearer next year. It is the tangible

nature of business decisions that makes them powerful as a form of opposition. We can see when markets move. We can quantify impacts when a business cancels a planned investment, or moves operations abroad. Already we are seeing that the government is highly sensitive to any accusation that it may be abandoning large employers. Promises apparently made to Nissan that it would be compensated in the event that Brexit damages its planned investments is one early example. For now, the government seems to be looking at individual concessions, rather than changing its overall plans to suit the Business community's concerns. This could change over time if the volume of requests for reassurance grows. It should be remembered that while Nissan's manufacturing in the North East is a popular examplar of foreign direct investment in UK manufacturing, this is just one of several industries facing uncertainty. Given the May government's early emphasis on industrial strategy, it must be highly attuned to the needs of large employers. Business, given its ability to demonstrate job losses, is in a stronger position than any other group to oppose the direction of government policy. Indeed, key groups such as the CBI and FSB have been able to formalise regular meetings with the Secretary of State for Business, Energy and Industrial Strategy, Greg Clark.

| THE BUSINESS COMMUNITY   |                      | MARKS OUT OF FIVE |  |
|--|----------------------|-------------------|--|
| ~~   | MAKING A SPLASH      | 4                 |  |
|  | HEARTS AND MINDS     | 2.5               |  |
| Q  | LINE BY LINE         | 3.5               |  |
| $\textcircled{\begin{tabular}{lllllllllllllllllllllllllllllllllll$ | EMBARRASSMENT FACTOR | 4                 |  |
| OVERALL OPPOSITION POWERS  |                      | 3.5               |  |



## CHAPTER SEVEN MEDIA

Debate continues about the role and strength of the media today. But for all that circulations may be falling, and viewing figures weakening, Britain's media is still providing a strong check on the government's power.

One only has to look to the short-lived Tory leadership contest for evidence of this. Once down to a two-horse race, the odds were that May would likely have prevailed, but it was an interview by The Times which did for Andrea Leadsom's campaign, drawing out of her some ill-advised comments on motherhood which seemed to reveal an unsuitability for the top job. Leadsom's leadership ambitions ended two days later. Even more recently, we saw The Times and other papers splash on Amber Rudd's announcement that companies would have to report the number of foreign workers they employ. The announcement was a minor feature of Rudd's party conference speech, but was spotted as a story, and at the top of the news agenda 24 hours later. Following widespread uproar the policy collapsed and the government was forced to distance itself from the remarks.

It will not be the last occasion on which newspapers – broadsheet or tabloid – identify and push for the abandonment or alteration of what they see as ill-conceived policy initiatives, setting the agenda and forcing change more effectively than the official opposition can. It is notable that while Labour jumped on the bandwagon they didn't originally identify and push against the policy.

Meanwhile the reach and continuing popularity of broadcast and radio remains strong. Research shows that two-thirds of people use the BBC's TV news services every week. It is perhaps of little surprise that the new Prime Minister decided to conduct her first major interview on the Andrew Marr Show. Audience size isn't everything. A small handful of radio and television programmes with small audience sizes, such as the Today programme and Panorama, are able to elevate issues and ensure they are on the agenda of decision makers at the highest level. Panorama's investigation into a G4S's Secure Training Centre in Rochester, for example, led to widespread condemnation in the press. It ultimately resulted in the company selling its entire UK children's services business.

Away from traditional media, social media platforms have provided an opportunity for instantaneous, and often damning, commentary on political decisions. Although most 'twitterstorms' tend to be fairly ineffective as a means of campaigning on any given issue, Twitter is playing a key role in supporting the quality of wider scrutiny. It has made the process of

| THE MEDIA  |                           | MARKS OUT OF FIVE |  |
|--|---------------------------|-------------------|--|
| 27   | MAKING A SPLASH           | 5                 |  |
|  | HEARTS AND MINDS          | 4                 |  |
| Q  | LINE BY LINE              | 3                 |  |
| $\textcircled{\begin{tabular}{lllllllllllllllllllllllllllllllllll$ | EMBARRASSMENT FACTOR      | 5                 |  |
|  | OVERALL OPPOSITION POWERS | 4.25              |  |



unearthing flaws in policy, or unwise comments from ministers, far quicker.

The new government is trying to keep the media at arm's length, at least more so than under David Cameron. Theresa May herself has given very few interviews since becoming Prime Minister. Many will argue this is prudent. But irrespective of May's media strategy, with the uncertainties of Brexit, there has never been a better time for political journalists to sniff out stories. Whether from digital, print or broadcast outlets, we can expect to see flaws and controversies in government policies unearthed by the media in the years to come.



## CHAPTER EIGHT THE PUBLIC

Standing on the threshold of No 10 in July, newly-appointed Prime Minister Theresa May spoke directly to families who are "just about" managing to get by: "The government I lead will be driven not by the interests of the privileged few, but by yours." With that phrase May created a litmus test that her government will be measured against.

In recent years the public's role within the policy process has been enhanced, with people now having the expectation that they will have a more regular influence than simply casting a ballot every four or five years.

The biggest factor behind this is, undoubtedly, is the growth of digital and social media. The internet provides a space for people to more effectively organise opposition, share facts and analyse government policies. Platforms such as Twitter and Facebook give people more channels to voice their opinions than were available in the past. Verdicts on speeches, policies and even budgets can be delivered en masse – swiftly and brutally.

But while the growth of social platforms is expected to continue, their impact is increasingly being questioned. Twitter in particular has half the number of users in the UK as Facebook, and the age profile using the service corresponds with the cohort that is least likely to vote - 65 per cent of tweeters are under the age of 34.

Twitter has facilitated the extension of the "Westminster Bubble", but in many respects it is still merely an echo chamber for self-selecting political obsessives. Campaigns are launched by party activists with catchy graphics and trending hashtags. Some cut through to the public but for the most part people are tweeting to the converted. Political parties prefer to use Twitter as an extension of their rebuttal units and to broadcast their key messages rather than to facilitate any meaningful two-way communication. Similarly, Facebook is seen as valuable by political parties because the volume and detail of data it holds on its users allows for tailored and therefore effective advertising to different demographics with niche advertising.

In the wake of the Brexit vote there have been vocal movements advocating a second referendum, a 'soft' Brexit, and the retention of the UK's membership of the single market. These campaigns are likely to be generating much more noise than actual impact, and the government will not take these tweeters seriously as an opposition, knowing that their constituency lies elsewhere.

The second major expansion of the public's role in scrutinising the government has been delivered by politicians themselves.

|            | THE PUBLIC                | MARKS OUT OF FIVE |
|------------|---------------------------|-------------------|
| 27         | MAKING A SPLASH           | 1                 |
|            | HEARTS AND MINDS          | 5                 |
| Q          | LINE BY LINE              | 1                 |
| $\bigcirc$ | EMBARRASSMENT FACTOR      | 2                 |
|            | OVERALL OPPOSITION POWERS | 2.25              |



David Cameron's governments provided the public with a number of formal opportunities to make decisions on changing the first past the post voting system, Scottish independence, Welsh devolution, and, of course, exiting the EU. Most of these referendums were driven by political factors – the SNP government in Holyrood, the coalition with the Lib Dems, and Cameron's failed gamble taken in an attempt to appease his backbench MPs and voters being courted by UKIP.

As Cameron discovered, referenda are risky. They can be blunt instruments, allowing only for binary choices that lead to overlysimplified debates rather than nuanced consideration of complex issues.

Unlike her predecessor, Theresa May is not a gambler. Referenda are unlikely to fit into her mode of decision-making, with an

emphasis on a deliberate, careful analysis of the issues and sticking to decisions once they are made.

The next five years may therefore see a return to more conventional channels of public political influence. May's government enjoys only a small majority, and Conservative backbenchers will be as willing as ever to rebel, particularly where there is pressure from their constituents on individual issues.

As May attempts to position the Conservatives as the dominant party of British politics once again, she will be keen to extend the party's appeal beyond the south, to areas where the Conservatives' political antennae are not traditionally well attuned. She will be sensitive to the needs of voters around the country as she triangulates policies and perfects her policy offer.

### CONCLUSIONS A COALITION OPPOSITION

The official opposition is not performing as it should. Too often it is failing to deliver the basics: getting press statements out on time to receive coverage and therefore failing to influence the media narrative; inadequately preparing for parliamentary scrutiny, so alleviating the pressure on the government to get policy right.

### OUR RANKINGS WHO IS OPPOSING?

| 1 | THE MEDIA                   | 4.25 |
|---|-----------------------------|------|
| 2 | CONSERVATIVE BACKBENCHERS   | 4    |
| 3 | THE BUSINESS COMMUNITY      | 3.5  |
| 4 | THE HOUSE OF LORDS          | 3.25 |
| 5 | THE OFFICIAL OPPOSITION     | 2.25 |
| 6 | THE OTHER POLITICAL PARTIES | 2.25 |
| 7 | THE PUBLIC                  | 2.25 |
| 8 | UNIONS                      | 2    |

Other sources are increasingly stepping in. The media, as ever, has a key role to play. Whereas in the past the official opposition may have fed in investigative findings and stories of its own making, the media is itself generating more and more stories that put the government under scrutiny. Beyond the media, we see Conservative backbench MPs, the business community and the House of Lords as the key sources of opposition pressure. The three groups will be by no means aligned all the time, and are certainly not coordinated. But each in their own way will put pressure on government, and on those occasions when their interests are aligned, could prove to be very powerful.

Conservative backbenchers hold particular sway given May's small majority, and the significant potential for embarrassment for a new Prime Minister who cannnot take her party with her. The business community holds a powerful card: investment and jobs. No PM can ignore too many price rises and lost jobs. The House of Lords has a careful balancing act to play. It has a hugely powerful role in detailed scrutiny of legislation. 'Experts' may be a maligned group these days but the Lords is full of them and they will seek to make their voices heard time and time again. But the Lords cannot stretch too far particularly on Brexit matters. Any suggestion that an unelected House is obstructing a referendum result may prove toxic.

For businesses engaging in British politics, there are some clear lessons. Cultivate a wide variety of relationships from all wings of the Conservative party. Get to know key peers. Ensure your stakeholder and business community relationships are strong. And invest in media strategy: never has there been a greater need for integrated public affairs and communications management.

## ABOUT WESTMINSTER ADVISERS

Westminster Advisers is a truly integrated communications company, advising businesses and investors on the policy, political and media issues that impact their bottom line.

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